

BILL ANALYSIS

Senate Research Center

S.B. 684
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Business & Commerce
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 684 amends current law relating to the relationship of certain optometrists, therapeutic optometrists, and ophthalmologists with certain managed care plans, including preferred provider plans.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 1301.051(e), Insurance Code, as follows:

(e) Prohibits an insurer from withholding a designation to a podiatrist described by Section 1301.0521 (Designation of Certain Podiatrists as Preferred Providers) or an optometrist, therapeutic optometrist, or ophthalmologist described by Section 1301.0522. Makes nonsubstantive changes.

SECTION 2. Amends Subchapter B, Chapter 1301, Insurance Code, by adding Section 1301.0522, as follows:

Sec. 1301.0522. DESIGNATION OF CERTAIN OPTOMETRISTS, THERAPEUTIC OPTOMETRISTS, AND OPHTHALMOLOGISTS AS PREFERRED PROVIDERS. (a) Prohibits an insurer, notwithstanding Section 1301.051 (Designation as Preferred Provider), from withholding the designation of preferred provider to an optometrist or therapeutic optometrist licensed by the Texas Optometry Board or an ophthalmologist licensed by the Texas Medical Board who joins the professional practice of a contracted preferred provider, applies to the insurer for designation as a preferred provider, and complies with the terms and conditions of eligibility to be a preferred provider.

(b) Requires an optometrist, therapeutic optometrist, or ophthalmologist designated as a preferred provider under this section to comply with the terms of the preferred provider contract used by the insurer or the insurer's network provider.

SECTION 3. Amends Subchapter D, Chapter 1451, Insurance Code, by adding Section 1451.156, as follows:

Sec. 1451.156. PROHIBITED CONDUCT. (a) Prohibits a managed care plan, as described by Section 1451.152(a), from directly or indirectly:

(1) controlling or attempting to control the professional judgment, manner of practice, or practice of an optometrist or therapeutic optometrist;

(2) employing an optometrist or therapeutic optometrist to provide a vision care product or service as defined by Section 1451.155;

(3) paying an optometrist or therapeutic optometrist for a service not provided;

(4) restricting or limiting an optometrist's or therapeutic optometrist's choice of sources or suppliers of services or materials, including optical laboratories used by the optometrist or therapeutic optometrist to provide services or materials to a patient; or

(5) requiring an optometrist or therapeutic optometrist to disclose a patient's confidential or protected health information unless the disclosure is authorized by the patient or permitted without authorization under the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. Section 1320d et seq.) or under Section 602.053.

(b) Provides that Subsection (a)(2) does not prohibit a managed care plan from employing an optometrist or therapeutic optometrist for utilization review or for operations of the managed care plan.

(c) Provides that Subsection (a)(3) does not prohibit the use of capitation as a method of payment.

(d) Provides that Subsection (a)(4) does not restrict or limit a managed care plan's determination of specific amounts of coverage or reimbursement for the use of network or out-of-network suppliers or laboratories.

(e) Requires an optometrist or therapeutic optometrist to disclose to a patient any business interest the optometrist or therapeutic optometrist has in an out-of-network supplier or manufacturer to which the optometrist or therapeutic optometrist refers the patient.

(f) Requires that this section be liberally construed to prevent managed care plans from controlling or attempting to control the professional judgment, manner of practice, or practice of an optometrist or therapeutic optometrist.

SECTION 4. (a) Provides that Section 1301.0522, Insurance Code, as added by this Act, applies only to a contract between a preferred provider and an insurer that is entered into or renewed on or after September 1, 2015. Provides that a contract between a preferred provider and an insurer that is entered into or renewed before September 1, 2015, is governed by the law as it existed immediately before the effective date of this Act, and that law is continued in effect for that purpose.

(b) Provides that Section 1451.156, Insurance Code, as added by this Act, applies only to a contract between a managed care plan issuer and an optometrist or therapeutic optometrist entered into or renewed, or a managed care plan delivered, issued for delivery, or renewed, on or after September 1, 2015. Provides that a contract entered into or renewed, or a plan delivered, issued for delivery, or renewed, before September 1, 2015, is governed by the law as it existed immediately before that date, and that law is continued in effect for that purpose.

SECTION 5. Effective date: September 1, 2015.